

FOURTH
ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF

The North Pennsylvania Railroad Company,

WITH THE

PROCEEDINGS OF THE ANNUAL MEETING OF STOCKHOLDERS

AND THE

REPORT OF THE CHIEF ENGINEER.

JANUARY 12, 1857.

PHILADELPHIA:

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1857.

ANNUAL MEETING.

Office of the North Pennsylvania R. Road Co.

Philadelphia, January 12th, 1857.

Pursuant to notice, according to law, the Annual Meeting of the stockholders of the North Pennsylvania Railroad Company was held this day at the office of the Company.

On motion of Mr. John Welsh, Mr. THOMAS ALLIBONE was called to the chair, and EDWARD ARMSTRONG appointed Secretary.

At the request of Mr. Thomas S. Fernon, the minutes of the last Annual Meeting were read.

Mr. Fernon then moved that the minutes of the said meeting be corrected by inserting after the word "first," in the third line of the first resolution offered by him, the word "general," so that the said resolution shall read, "The first *general* report made by Edward Miller, Esq., Chief Engineer, dated April 30, 1853," instead of "The first report made by Edward Miller, Esq., Chief Engineer, dated April 30, 1853;"

Which motion was carried.

Mr. John Welsh, President of the Company, then submitted and read the annual report of the Board of Directors,

When, on motion of Mr. Joshua Lippineott, it was

Resolved, That the report be accepted, approved, and referred to the Board of Directors for publication.

The report of the Chief Engineer to the Board of Directors, submitted by the President, was then read by the Chief Engineer.

The Secretary read the annual report of the Treasurer;

Whereupon it was, on motion of Mr. William Welsh,

Resolved, That the report of the Chief Engineer, with that of the Treasurer, be accepted and referred to the Board of Directors for publication.

On motion of Mr. David Faust, it was

Resolved, That the Stockholders are gratified with the opening of the Road to the Lehigh, and with the commencement of the coal trade over it, and that the Board of Directors be requested to use their best efforts to increase the equipment of the Road to an extent commensurate with the trade to be accommodated.

The Chairman then announced that Messrs. Joseph Reakirt, James S. Young, and Solomon M. Bunn had been appointed by the Board, Judges of the annual election.

When, on motion, it was

Resolved, That the meeting adjourn, for the purpose of going into an election for a President and ten Directors, to serve for the ensuing year.

EDWARD ARMSTRONG,
Secretary.

At a meeting of the Stockholders of the North Pennsylvania Railroad Company, held this day, the following persons were elected to serve as President and Directors for the ensuing year :—

PRESIDENT,

JOHN WELSH.

DIRECTORS,

JOHN BROCK,
COFFIN COLKET,
J. GILLINGHAM FELL,
JOHN O. JAMES,
JOHN JORDAN, Jr.,

WILLIAM C. LUDWIG,
ALGERNON S. ROBERTS,
JOHN H. TOWNE,
S. MORRIS WALN,
ISAAC S. WATERMAN.

JOSEPH REAKIRT,
JAMES S. YOUNG,
SOLOMON M. BUNN,

Judges.

Office of the North Pennsylvania R. R. Co.
Philadelphia, January 12, 1857.



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FOURTH ANNUAL REPORT.

To the Stockholders

of the North Pennsylvania Railroad Company.

GENTLEMEN:

The third annual report, which was submitted at the last meeting, continued the history of the company, and the progress of its work up to the 9th of January, 1856. The road was then in use $18\frac{3}{4}$ miles, from Front and Willow streets to Gwynedd. Beyond that point, until its intersection with the Lehigh Valley Railroad, at Bethlehem, as well as on the branch to Shimersville,—which intersects the Lehigh Valley Railroad three miles below Bethlehem, and forms over it a direct connection with Easton—and the branch to Doylestown, in all $48\frac{3}{4}$ miles, the work was in different stages of progress. The points of greatest difficulty being the deep cut at the Gwynedd hills, the tunnel through Landis' ridge, and four sections of heavy work further north.

The means derived from subscriptions to the stock had been exhausted, and, in addition, \$265,500 of a loan of \$2,500,000, which had been authorized by the stockholders. \$2,234,500 of that loan remained to pay a floating debt of \$365,000, and to finish and equip the road.

Unfortunate divisions among those interested in the company had diminished the public confidence in its stability, and caused

a rapid decline in the market value of the stock. This increased the difficulty which had previously existed in negotiating the loan, and for a while checked the energy necessary for the early completion of the work.

Edward Miller, Esq., who was elected President of the company at the last annual meeting of the stockholders, and then took that position with a view to its temporary occupancy, resigned on the 19th of April, when the present incumbent was appointed his successor by the Board. Mr. Miller continued in the service of the company, as its Chief Engineer, until the 9th of June, when, having been invited to a post of great responsibility in Missouri, he retired, and was succeeded by Solomon W. Roberts, Esq., under whose supervision the work has since steadily progressed.

On the 21st of April, one million of the loan was negotiated at 75 per cent., and immediate steps were taken to urge the contractors to the completion of the graduation, and contracts were made for the necessary materials and prompt construction of the superstructure.

Subsequently, arrangements were in progress and partially completed, for the sale, at 75 per cent., of the remainder of the loan. They were suddenly terminated by the effect on the standing of the company, resulting from a collision on the road, which occurred on the 17th of July, attended with a destruction of property, injury to persons, and a loss of life, without a parallel on record. This event again rendered the condition of the company very critical.

Heavy obligations had been assumed to secure the early completion of the road, and the inability to sell the loan threatened to leave the Board without any means to meet them.

Under these circumstances, an appeal to the stockholders became necessary.

It was first directed to the City of Philadelphia, as the holder of 28,000 shares, and its aid asked, contingent on an equal con-

tribution from other stockholders. When the city was on the eve of granting the aid, an injunction was threatened by certain citizens to prevent the consummation of its action in the manner contemplated by the Select and Common Councils; and, although the Board had confidence in the favorable result of an appeal to the Courts, yet the delay incident to it would have been fatal to the company.

At this juncture—mainly through the instrumentality of a gentleman, for whose assistance, at a moment so dark and critical, the Board cannot express too strongly their gratitude—a sale was made of the remainder of the loan at 65 per cent., on five months' credit.

According to the nearest approximation which can at this time be made, and it is believed to be essentially correct, the means of the Company will extinguish the floating debt, and finish the road with a single track and a sufficient number of sidings for an active business. The buildings, as stations for passengers and the reception and delivery of merchandise, as well as the additional buildings required for engines and cars, will be of a plain and somewhat temporary character.

The equipment now consists of six locomotive engines, thirteen first-class passenger-cars, two baggage and smoking-cars, eleven eight-wheel merchandise cars, twenty-four platform-cars, four dump cars, six manual labor cars, and four omnibus horse cars.

Two heavy freight engines have been contracted for, and will be delivered in a few days. Also, thirty additional eight-wheel merchandise, and ten platform cars.

Whilst these are enough for present use, they will soon be insufficient for the proper development of the trade of the road; but, as the companies which connect above are fully supplied with coal cars, for this portion of the business no immediate inconvenience is anticipated.

Beyond the property covered by the mortgage, given as a security to the loanholders, the company holds real estate which

cost one hundred and sixty thousand dollars over the incumbrances upon it. This property may be made the basis of a security, and, if combined with a chattel mortgage, in the opinion of the Board, will produce whatever means may be required to provide additional rolling stock.

A portion of the real estate,—particularly the office building,—may with propriety be sold, as the proceeds can be more advantageously used.

Some claims for land damages are yet unsettled. They ought to be less difficult of adjustment, when the convenience and advantage of the road become manifest to those who hold them.

The claims arising from the collision on the 17th of July have nearly all been settled. Fifteen only are believed to remain unadjusted. No suit has been begun. It is expected that amicable arrangements will be made with all. Sensible that no human aid can allay the distress which such a catastrophe has entailed, the Board have, nevertheless, exerted their utmost ability to show their sympathy for all who have suffered, by as much liberality as it was possible for them to manifest. The means of the company confined the settlement to a single mode, and with seven thousand two hundred and fifty shares of the capital stock, it is expected that all the claims will be liquidated.

The energetic measures which were taken to prosecute the work have resulted successfully.

The road was opened to Doylestown on the 7th October, and on the 1st inst. to the Lehigh.

In addition to the omnibus trains on the lower part of the road, a regular train now makes its daily trip to Easton, and by connecting at Shimersville, (Freemansburg) with a train on the Lehigh Valley Railroad, affords the most convenient access to the whole valley of the Lehigh.

As soon as the arrangements now in progress are completed, which will be in the course of a few days, regular merchandise

and coal trains will be put in motion. One train of cars with coal came over the road on the 10th inst.

Numerous parties are awaiting the convenience of the Company to obtain their supplies of coal by this route, and about 2000 tons of iron are in readiness, at the furnaces on the Lehigh, to be brought to this city at the earliest moment the Company can allow it to pass over the road.

With the opening of the spring the road promises to present a scene of much activity.

The west fork of the road from Hellertown to Bethlehem, a distance of three miles, is the only part on which the rails are not laid. The work has not been completed in compliance with the contract, and this disappointment is very prejudicial to the interests of the Company. The Chief Engineer has taken such action as will secure its opening at the earliest moment practicable.

On some parts of the road the track has been laid on subgrade. The ballasting on these portions, as well as the filling up, where temporary tressel work has been erected to avoid delay, will be done during the year, without interfering with the regular business on the road.

The expenses of the Company have been very much reduced. In every department the most watchful scrutiny should be required to keep the expenditures within the bounds of the strictest economy.

The Chief Engineer's report, submitted herewith, gives a detailed statement of every matter of interest connected with his department.

The Treasurer's report for the year, and a table showing the income of the road for each month, are also submitted. The past income, the Board hold, is no indication of what it will be in future; up to this time it has been drawn from the local business on a part of the road which hereafter will contribute very largely to

the receipts of the Company. To develop this business, the expense incurred has been large by running frequent trains, but the increase of the population on the route, since the road has been opened, confirms the wisdom of the policy. 234,257 passengers were carried by the Company during the last twelve months.

As the large property at the corner of Front and Willow streets will all be required for the reception and delivery of merchandise, early in the last summer, the properties were purchased adjoining the lot which the Company has held for some time on Cadwalader street, below Master street, with the design of erecting thereon a commodious passenger station, from which the cars may be taken by the engines, thus avoiding the inconvenience, delay and expense incurred by drawing them to and from that point by mules.

This location is but a few hundred feet further from the Exchange than the Germantown depot is, and by the aid of omnibus lines, will be equally accessible.

The front on Cadwalader street is 176 feet, 88 feet of it being 100 feet deep, and 88 feet 215 feet deep, running through to the Germantown road. On the Germantown road there will be a convenient approach and departure for passengers, and on Cadwalader street for the cars.

The necessity for the use of mules in drawing the cars through the city has been the subject of regret to the Board. The inhumanity of the drivers in the treatment of the animals has been the occasion of frequent remonstrances with the principals employed by the Company. This cause, independently of the expense and inconvenience incident to this means of transit, is sufficient to induce the hope that, at an early day, dummy engines may be employed on that part of the road within the built-up portions of the city. This class of engines is said to be now successfully used in the city of New York. It has long been contemplated by intelligent gentlemen who have turned their attention

to the subject, that no other motive power can be employed so advantageously in a city, with a due regard to the convenience and safety of the inhabitants, the freedom from interruptions on the highways, or economy in the transportation of both passengers and merchandise.

The past year has been one of intense anxiety to those on whom was devolved the care of your property. The discouraging circumstances under which it opened had hardly been overcome, when the event of the 17th July threatened to render abortive the strenuous efforts which the Board had made to bring the work to an early completion. It then, and for some time afterward, appeared as if nothing could prevent the property of the Company from passing into the hands of trustees.

Its days of adversity, the Board hope, have now passed. The present year opens under happier auspices. The struggle will no longer be to finish the road. To provide means for the accommodation of the business which will flow in upon it, will claim the immediate care of our successors.

With an amount of rolling stock equal to the requirements of the business as it develops, the revenue will augment rapidly enough to prove that, in addition to the solidity of the work, which surpasses that of most others in the country, there will be a productiveness which will insure the interest to the loanholders, and a fair return to the stockholders, at a day much less distant than is anticipated.

Speculations on the future are of little avail, and the Board prefer to leave the subject to the intelligent observation of those interested, who, with each advancing month, will have increasing encouragement for the exercise of that patience which, even under adversity, will ultimately have its reward.

By order of the Board of Directors.

JNO. WELSH, *President.*

Company's Office,

Philadelphia, Jan. 12th, 1857.

TREASURER'S REPORT.

1856.	CREDITS.	1856.	DEBITS.	
Nov. 30,	Amount received from Stockholders,	\$3,051,865 00	Graduation, Bridges, Masonry, Inci-	\$2,352,124 79
	Gross sales of Coupon Bonds, -	1,825,500 00	dentials, &c. - - -	
	Bills Payable, - - -	461,863 36	Superstructure, Rails, Sills, Spikes,	744,084 17
	Ground Rents and Mortgages, -	96,454 88	Printing, &c., - - -	
	Temporary Loans, - - -	10,756 82	Right of Way and Fencing, -	172,026 09
	Receipts from Passengers, \$56,238 57		Locomotives, Cars, Turn Tables, &c.,	145,812 44
	“ “ Freight, 18,469 75		Machine Shop, Tools, Station	
		74,708 32	Houses, &c., - - -	47,750 74
			Real Estate, - - -	390,040 34
			Engineer Department, -	119,760 72
			Interest paid Stockholders, -	159,425 65
			Interest, Discounts, Coupons and	
			Discount on Bonds, - - -	829,504 91
			Accident 17 July, represented by	
			5,866 shares of stock, - - -	293,277 41
			Expense of running road, - - -	57,976 13
			Bills Receivable, - - -	166,738 84
			Cash on hand, - - -	42,626 15
		<u>\$5,521,148 38</u>		<u>\$5,521,148 38</u>

WILLIAM WISTER,
Treasurer.

January 12th, 1857.

REPORT

OF THE

CHIEF ENGINEER.

Philadelphia, January 10th, 1857.

To JOHN WELSH, Esq.,
President North Pennsylvania Railroad Company,

SIR: The undersigned respectfully submits the following Report of the Engineer Department, since he entered the service of the Company, a period of seven months.

On the ninth day of June last, Edward Miller, Esq., the former Chief Engineer of the Company, left Philadelphia for St. Louis, to take charge of the Pacific Railroad of Missouri; and on that day the undersigned became the Chief Engineer of the North Pennsylvania Railroad, and commenced his examinations of the work, with which he had never been connected before.

At that time eighteen miles and three quarters of the road were in use, from the depot at the corner of Front and Willow streets, Philadelphia, to the Gwynedd Station, in Montgomery county. From that point to the Lehigh, the work, which is generally very heavy, was in various stages of progress towards

completion, and the grading and bridging of the branch road to Doylestown were nearly done. No portion of the track was laid beyond Gwynedd.

The graduation and masonry remaining to be done between Gwynedd and the Lehigh, were nearly all included in one great contract with a firm of contractors, whose nominal prices appeared to be high, but were, in fact, greatly diminished by their obligation to receive one-third of their pay in the stock of the Company at par, as cash, its market price then being about one-third of its par value.

The difficulties encountered upon the line from its commencement had been of an extraordinary character, the excavations being principally thorough cuts in rock, which had been contracted for originally at about fifty cents per cubic yard, and had actually cost in some cases from \$1 40 to \$2 per cubic yard. This had been quite unexpected both to the Company and to the original contractors.

The distance from Philadelphia to the Lehigh at Bethlehem by the North Pennsylvania Railroad, is $55\frac{1}{4}$ miles; and by the railroads following the valleys of the Delaware and Lehigh, is 92 miles; or, in other words, the circuitous route is *two-thirds longer* than the cut-off line. When the ballasting of the new road is completed, a great saving of time will result from this great saving of distance.

The primary object to which my attention was called, as the Chief Engineer of the Company, was to press forward the unfinished work as rapidly as possible, without giving the contractors any equitable claims for extra allowances, beyond the prices which had been fixed by the Board of Directors. The grading, although divided into sections, having been let in one large contract, the Chief Engineer had not as much power to press forward the work, as is usually the case, where the road is in the hands of many separate contractors, each liable to lose his retained percentage by forfeiture.

Having no personal knowledge of the difficulties which had beset the work in the past, my object was to inform myself fully

of its present condition, and to do what could be done to expedite its completion without adding to its cost.

These efforts have been so far successful that sixty-four and three-tenths miles of the road are now open and in public use, connecting Philadelphia with Doylestown, and with the Lehigh Valley Railroad at Freemansburg; and passenger cars run directly between Philadelphia and Easton without change. A new and short route is also opened to Mauch Chunk and the Lehigh coal region. The Doylestown Branch was opened for public use on the 7th of October; the first train ran through to the Lehigh on the 23d of December, 1856; and the first regular passenger train ran from Philadelphia to Freemansburg and Easton, on the first day of January, 1857.

The grading of all the sections under contract is completed with the single exception of Section No. 54, at the deep cut through the point of the Lehigh mountain, about a mile and a half south-east of Bethlehem. About ten thousand cubic yards of earth remain to be removed and carried into the bank, in order to complete it for a single track. Great urgency has been used with the contractors, but since the cold weather set in, their progress has been slow. This section is a part of the general contract, which cannot be considered completed until it is done.

The distance from Front and Willow streets, Philadelphia, to the Shimersville Junction, is fifty-two miles and thirty-eight hundredths of a mile. At that point the road diverges in two directions. The east fork, or Shimersville branch, is one mile and eighty-one hundredths of a mile in length to the point of connection with the Lehigh Valley Railroad at the Freemansburg Station, which point is fifty-four miles and nineteen hundredths of a mile from Willow street, Philadelphia, and nine miles from Easton, and two miles from Bethlehem, by the Lehigh Valley Railroad.

The length of the west fork, through the point of the Lehigh mountain, to Bethlehem, is fifteen thousand feet, or nearly three miles. This is the part of the road which is not yet in use, on account of the non-completion of Section No. 54. The cross-

ties and iron for it are on hand. The iron for the road beyond Gwynedd has been furnished by Messrs. Reeves, Buck & Co., and the track has been laid by Messrs. H. R. & J. D. Campbell. The old iron, which has been used by the contractors for grading, is intended to be laid down in side tracks, and the iron and cross-ties which the Company has on hand will be sufficient, in my opinion, to supply its wants for the current year.

That part of the ballasting, which has not been done by the contractors for grading is included in the contract of the Messrs. Campbell, and also the filling up of two trestle bridges which they have erected on Sections Nos. 35 and 48, and of one on Section 21. The three trestle bridges, on the first nineteen miles of the road, have been kept in order by the road master.

The North Pennsylvania Railroad has been planned on a great scale, wide enough for a double track of six feet gauge, but the tracks which have been laid down are of the usual gauge of 4 feet 8½ inches, being uniform with the Lehigh Valley Railroad, and the Central Railroad of New Jersey at Easton.

The line is very straight, and the grades are undulating. The steepest grade on the main line, going northward, is sixty feet per mile; and coming southward, one foot in a hundred, or fifty-two feet and eight-tenths per mile, in the direction of the preponderating trade. The ruling grade going southward is the same as that upon the western division of the Pennsylvania Railroad in the vicinity of Pittsburg. Of the practicability of hauling coal over it at a profit, at the rate of two cents per ton per mile, or even somewhat less, I entertain no doubt.

The general character of the finished work upon the line is very permanent and substantial. The main line is generally graded for a double track, and the Doylestown and Shimersville branches for a single track. The length of the Doylestown branch is ten miles and eleven hundredths, and it diverges from the main line at the Lansdale station, twenty-three miles from Philadelphia. There are two tunnels upon the main line; one through the Gwynedd hill is 500 feet long, and the other, or long tunnel, through Landis's ridge beyond Sellersville, is 2,150

feet long. They are cut out for a double track, and are twenty-six feet wide. Part of the Gwynedd tunnel has been arched with brick. The whole of the long tunnel is through rock, which varies very much in hardness. No part of it has yet been arched, but parts of it will require arching hereafter, to the extent of, perhaps, 400 or 500 feet in length.

Those parts of the roof of the long tunnel, which require it, are now secured by timbering, and a watchman is kept on duty there constantly. Facades should be built at the north end of the Gwynedd tunnel, and at both ends of the long tunnel, whenever the means of the Company will allow.

It is very important that the ballasting and adjusting of the track, the extension of the side tracks, and the crection of the platforms and station houses, should be proceeded with as rapidly as the weather will permit.

The North Pennsylvania Railroad, like every other important road, ought to be provided with a telegraph line.

Very frequent and full reports have been made, from time to time, by the Engineer Department, to the President and Treasurer as to the progress of the work and the expenditures upon it, which it seems unnecessary to swell this report by recapitulating. A tabular statement, marked A, which accompanies this report, shows the amount expended for work done, and materials furnished, from June 9th to December 1st, 1856, under the various heads of expenditure. The estimates signed by me, between June 9th and December 1st, 1856, amount to \$623,133 44, of which \$257,519 04, were for graduation and bridges; and \$305,136 87 for road superstructure, including iron rails. The remainder was for equipments, and various other items. A large reduction in the expenses of the Engineer Department was made when I entered the Company's service, and they are now about to be reduced still more.

The accounts in the office of the Chief Engineer, have been carefully kept by Mr. Alexander Easton, Assistant Engineer. They have been compared with the books of the Treasurer, and found to agree, except as to the dates of some of the entries.

The amounts required to pay for the completion of the existing contracts, have been reported by me to the President, as nearly as it was in my power to do it. The work done since June last has been closely estimated up, from month to month, during its progress, and no percentage has been retained upon it, except a small sum upon the Doylestown branch. On two sections, Nos. 21 and 36, sums of retained percentage were retained by my predecessor by order of the Board, the amount of which is stated in his accounts. A few of the contractors make claims for extra allowances, beyond their strict contract prices, on account of circumstances, with some of which I cannot be familiar, and the consideration of which belongs rather to the Board of Directors than the Chief Engineer. The estimated amount required to settle up the existing contracts upon the line, at the contract prices, is \$159,151 88, which is payable partly in stock, partly in bonds, and partly in cash.

The North Pennsylvania Railroad will be no exception to the general rule, which applies in all such cases, that with the increase of business, increased facilities for accommodating it will have to be provided. It will be for the wisdom of the future officers of the company to determine how rapidly and to what extent the company may be able to draw a heavy freight business over its road, by giving it greater facilities than can be afforded by the competing and circuitous lines of communication between the same termini.

On my becoming the Chief Engineer of the Company, the Directors wished to add the general superintendence of the portion of the road in use, to my department; to which I consented, without any additional salary, upon the express condition that I was not to be required to take the personal charge of running the trains upon the road. An experienced and competent Master of Transportation was accordingly appointed by the Board for that purpose. The accounts of the Transportation department have been kept by the Agent of Transportation; and of the engine and machine shop department, by the superintendent

of motive power. These officers are all experienced men, and their reports are on file in this office. The accompanying report, marked B, made out by Ellis Clark, Esq., Agent of Transportation, shows the receipts and expenditures of the Transportation Department for the official year in detail, and shows that the number of passengers carried was 232,053.

The Master of Transportation is Albert H. Fracker, and the Superintendent of motive power, Wm. Shultz. The Road Master, who is a man of much experience in his department, is John H. Ainsworth.

These gentlemen have co-operated together in a harmonious manner, and my time has been so much occupied with my duties as Chief Engineer of the unfinished work, that I have not had much time to devote to the supervision of their respective departments.

The trains upon the road have generally been run with a good degree of regularity and safety, with the exception of the sad catastrophe of the 17th of July last, at the Camp Hill station, about fourteen miles from Philadelphia, with the details of which the Board are so familiar, and of which I knew nothing until after the occurrence. I had gone over the unfinished part of the line to the Lehigh, to press forward the work; and I knew nothing of the Excursion train, or of the arrangements for running it, or of the disaster which had happened to it, until after my return to the city by the New Jersey route.

The facts of the case are well known to the Board, and the written instructions for running the extra excursion train, issued by the proper officer, the Master of Transportation, are preserved in pressed copies in the transportation office. I beg leave to call attention to the fact, as shown in the document marked B, that while there was a great falling off in the number of passengers carried after the disaster, caused by the stoppage of excursion trains, there was very little falling off in the amount of money received for passenger travel. It appears that no passenger in

the regular train, which was in the act of stopping at a station at the time of the collision, received any injury, and that of the excursionists great numbers were crowded on the platforms of the cars, contrary to the rules of the company.

The North Pennsylvania Railroad was undertaken, and has been surveyed and located, as a great thoroughfare line, from Philadelphia to the New York and Erie railroad at Waverley, a distance of more than two hundred miles, but the means of the company have not permitted it to do anything beyond the valley of the Lehigh in the past year.

On the opening of the road to Bethlehem the company will own sixty-seven and a quarter miles of railroad, with a single track and turn-outs laid with American iron, of weights varying on different parts of the line from fifty to sixty-four pounds per yard, a large proportion of it being of the weight of fifty-seven pounds. A very large sum has been expended in grading the main line for a double track, which, of course cannot be rendered available, until the business increases and the second track can be begun. A double track near the city, where numerous passenger trains are run, is a very desirable object, and ought to be provided as soon as circumstances will permit.

An iron bridge of one hundred and fifty-two feet span over the Saucon creek, on the Shimersville branch, has been erected by John W. Murphy & Co. It cost \$38 per lineal foot and answers its purpose well.

A profile and map of the line, showing its connections with the Lehigh coal region, have been prepared under my direction, and are now in the hands of the lithographer.

The distant connections which the company may look forward to in the future, have been so fully set forth in its former reports and publications, that it seems unnecessary for me to speak of them on the present occasion.

That the North Pennsylvania Railroad will become one of the most important lines leading into the city of Philadelphia, and that its business will increase from year to year, in a rapid ratio, I have no doubt. The rapid development of the coal and iron trade of the Lehigh valley, will of itself supply a large business.

The schedule of the rolling stock now owned by the company is in the hands of the President. No time should be lost in increasing it. The company owns six locomotive engines and two more have been ordered. Five engines are upon the road and one undergoing repair. Three locomotives are required for the passenger trains now running to Gwynedd, Doylestown, Freemansburg, and Easton. One is employed in the freight business near the city. The company has no more motive power than it required for the proper management of its business before the line was opened to the Lehigh. Locomotives are liable to many casualties, and especially so in the middle of winter. It is in vain to say that a great deal can be done by over-working the machinery, for a locomotive overworked, like a horse over-driven, is almost certain to give out

Immediately after entering the company's service I called the attention of the Board to this subject, and recommended that they should double the number of their engines as soon as it could be done. But it seemed doubtful whether the utmost exertions of the Directors, combined with the assumption of large individual liabilities by themselves and their personal friends, would enable them to open the road to the Lehigh within the year. Everything could not be done at once, and, considering the circumstances, it is well that so much has been accomplished. Some additional freight cars have recently been contracted for.

The road is open to the Lehigh; for ten days passenger trains have been running to Easton; and to-day the first train of cars laden with anthracite coal reached Philadelphia from the Lehigh coal region, over the North Pennsylvania Railroad; by a route shorter from Mauch Chunk to Philadelphia, than the length of the Reading Railroad from Pottsville to the city.

The amount of heavy freight now being offered for transportation over the road is very large, and it is out of the power of man to transport it with the means that the company possesses. Next to harmony in the councils of the company, the most important subject that can occupy the stockholders and bondholders, is the question of how to provide the requisite facilities for accommodating the large business which the road is capable of commanding.

The Directors are aware that I desire to be immediately relieved from all connection with the transportation department and the care and management of the road in use, continuing as Chief Engineer of the unfinished work of the construction department for a time.

A competent and experienced Superintendent should be appointed without delay, to take charge of the road in use, and who should devote his whole time to that duty, which I cannot undertake to do.

In conclusion permit me to express my sense of the important services rendered to the company by Mr. Thomas D. Conyng-ham, Principal Assistant Engineer, and the Junior Assistants generally; and by the heads of the various departments of Transportation and Repairs.

Respectfully submitted,

S. W. ROBERTS,

Chief Engineer.

A.

AMOUNT

Expended from June 9th, 1856, to December 1st, 1856.

Graduation and Bridges account,	-	-	\$257,519 04
Road superstructure do, -	-	-	305,136 87
Passenger car do, -	-	-	21,258 00
Locomotive engine do, -	-	-	19,059 71
Engineering do, -	-	-	7,478 38
Freight and Road car do, -	-	-	4,440 25
Turn-table do, -	-	-	3,458 82
Passenger and Freight Station account, -	-	-	2,662 19
Water Station account, - - -	-	-	1,425 43
Machinery for Shops account, - - -	-	-	348 02
Engine-house and Machine-shop account, -	-	-	325 73
Fencing account, - - -	-	-	21 00
Total, - -			<u>\$623,133 44</u>

B.

TRANSPORTATION DEPARTMENT, N. P. R. R.

Disbursements from December 1st, 1855, to December 1st, 1856.

On account Conducting Transportation, viz : \$12,696 68

Advertising, - - -	\$582 73
Agents, - - -	1,466 18
Baggage Masters, - -	1,258 28
Brakemen, - - -	1,557 31
Cars, inspeeting, &c., - -	444 95
Car furniture and fixtures, -	241 80
Clerks, - - -	944 98
Conduetors, - - -	1,851 66
Dispatelers, - - -	152 50
Fuel and Light, - - -	314 54
Incidentals, Insurance, &c., -	448 59
Loss and Damage, -	680 48
Master of Transportation, -	400 00
Oil, Tallow, &c., - - -	66 72
Stationery and Printing, - -	712 01
Stations, Expenses of, - -	1,573 95
	<hr/>
	12,696 68

On account Maintenance of Cars, viz : - - 2,010 74

Repairs, Pass. and Bag. Cars, -	\$1,255 70
Repairs, Freight Cars, - -	594 37
Repairs, Ballast Cars, - -	108 25
Tools and Repairs of Tools, -	52 32
	<hr/>
	2,010 74

On account Maintenance of Way, viz: - - \$8,639 00

Ballast, - - -	\$1,581 37
Cleansing Ditches, - -	1,081 63
Chairs and Spikes, - -	3 07
Cross Ties, - - -	10 48
Frogs and Switches, - -	144 21
Incidentals, - - -	72 75
Iron Rail, (renewing,) - -	5 12
Oil, Tallow, &c., - - -	47 25
Repairs, Bridges, - - -	133 25
Repairs, R. and H. Cars, - -	208 54
Repairs, Cattle Guards, - -	4 35
Repairs, City Track, - - -	157 25
Repairs, Road Crossings, - -	62 83
Snow and Ice, (removing,) - -	642 07
Stationery and Printing, - -	25 50
Superintendence, - - -	825 00
Surfacing Track, - - -	2,655 82
Tools and Repairing Tools, - -	192 20
Watch and Switch-men, - -	786 31
	<hr/>
	8,639 00

On account of New Work, viz: - - - 1,615 98

Engine House and Machine Shop,	\$882 78
Freight and Road Cars, - -	29 25
Graduation and Bridges, - -	12 50
Locomotive Engine, - - -	282 97
Machinery for Shops, - - -	145 69
Passenger and Freight Station, -	35 04
Road Superstructure, - - -	201 25
Stationery and Printing, - -	26 50
	<hr/>
	1,615 98

On account Motive Power, viz: -	-	-	\$37,629 71
Coal, - - -	-	\$5,534 17	
Cotton Waste, - - -	-	115 51	
Oil, - - -	-	649 36	
Tallow, - - -	-	384 53	
Wood, - - -	-	6,533 32	
Clerks, - - -	-	558 31	
Engine Drivers and Firemen, -	-	4,627 69	
Horse Power, - - -	-	7,508 91	
Incidentals, (Insur., Water Rents,)	-	892 11	
Laborers, - - -	-	1,621 88	
Materials for Shop, - - -	-	1,429 41	
Repairs, Locomotives, - - -	-	4,576 54	
Repairs, Tools and Machinery, -	-	553 66	
Repairs, Engine House, - - -	-	309 39	
Repairs, Water Stations, - - -	-	307 92	
Stationery and Printing, - - -	-	28 26	
Superintendence, - - -	-	988 22	
Watch and Switch-men, - - -	-	1,010 52	
		<hr/>	37,629 71
			<hr/> <hr/>

Recapitulation.

Conducting Transportation, - - -	-	\$12,696 68
Maintenance of Cars, - - -	-	2,010 74
Maintenance of Way, - - -	-	8,639 00
New Work, - - -	-	1,615 98
Motive Power, - - -	-	37,629 71
		<hr/>
		\$62,592 11
		<hr/> <hr/>

RECEIPTS FROM PASSENGERS.

From December 1st, 1855, to December 1st, 1856, viz : \$56,338 67

December, 1855,	-	-	\$3,689 54	
January, 1856, -	-	-	2,485 30	
February, 1856, -	-	-	2,402 20	
March, 1856, -	-	-	2,974 88	
April, 1856, -	-	-	3,801 63	
May, 1856, -	-	-	5,268 54	
June, 1856, -	-	-	6,902 02	
July, 1856, -	-	-	6,806 42	
August, 1856, -	-	-	6,042 10	
September, 1856,	-	-	4,978 20	
October, 1856, -	-	-	5,792 60	
November, 1856,	-	-	5,195 24	
			<hr/>	56,338 67
				<hr/>

RECEIPTS FROM FREIGHT.

From December 1st, 1855 to December 1st, 1856, viz : \$18,050 06

December, 1855,	-	-	\$737 65	
January, 1856, -	-	-	834 38	
February, 1856, -	-	-	808 40	
March, 1856, -	-	-	1,153 38	
April, 1856, -	-	-	1,096 68	
May, 1856, -	-	-	1,690 73	
June, 1856, -	-	-	1,633 73	
July, 1856, -	-	-	1,598 11	
August, 1856, -	-	-	2,000 13	
September, 1856,	-	-	1,895 04	
October, 1856, -	-	-	1,835 43	
November, 1856,	-	-	2,766 40	
			<hr/>	18,050 06
				<hr/>
Receipts from Passengers and Freight,				\$74,388 73

PASSENGERS CARRIED OVER THE ROAD.

From December 1st, 1855 to December 1st, 1856, viz :				232,053
December, 1855,	-	-	13,893	
January, 1856, -	-	-	10,979	
February, 1856, -	-	-	10,014	
March, 1856, -	-	-	12,740	
April, 1856, -	-	-	15,277	
May, 1856, -	-	-	21,289	
June, 1856, -	-	-	37,024	
July, 1856, -	-	-	25,917	
August, 1856, -	-	-	25,122	
September, 1856,	-	-	21,977	
October, 1856, -	-	-	20,625	
November, 1856,	-	-	17,196	
				<hr/>
				232,053
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MILK

Carried from Dec. 1st, 1855 to Dec. 1st, 1856, 308,624 gallons.

The foregoing report was made out by Ellis Clark, Esq., Agent of Transportation.

